IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.592 OF 1999

Shrachi Securities Ltd. ...Petitioners

Versus

Asia Television Network Ltd.

alias ATN Ltd. ...Respondents

.....

Ms.K.A.Shah for Petitioners.

None for Respondents.

.....

CORAM: A.M.KHANWILKAR, J.

JULY 22, 2005.

P.C.

1. Heard Counsel for the Petitioners. None appears for the Respondent Company though served. No reply has been filed opposing this Petition. In that sense, averments made in the Petition have remained uncontroverted.

2. The case of the Petitioners is that as per the understanding between the parties, financial

assistance was provided to the Respondent Company. The Respondent Company was indebted to the tune of Rs.42,05,000/- (Rupees Forty-two Lakhs Five Thousand) with interest accrued thereon. The Respondent Company has availed of the financial facility extended by the Petitioners. In fact, the Respondent Company issued postdated cheques in favour of the Petitioners in the sum of Rs.20,25,726/- (Rupees Twenty Lakhs Twenty-five Thousand Seven Hundred Twenty-six). This presupposes that the liability of the Respondent Company was acknowledged by the Respondent Company. It is stated that only part-payment as against the postdated cheques could be released to the extent of Rs.2,25,000/- (Rupees Two Lakhs Twenty-five Thousand). Rest of the cheques were returned as dishonoured.

3. Inspite of statutory notice, no steps were taken by the Respondent Company to settle the outstanding claim of the Petitioners. No reply was given to the statutory notice.

4. Inspite of admission of this Petition as

back as on 13th December 1999, no steps have been taken by the Respondent Company to discharge the liability to pay the outstanding amount of the Petitioners. The amount is quite substantial. Besides, the legal presumption that the Respondent Company is unable to pay its debt has remained unrebutted.

5. Accordingly, this Court has no option but to allow the Petition in terms of prayer clauses (a), (b) and (c) with cost. Ordered accordingly.

A.M.KHANWILKAR, J.